

**USDOL Responses to Technical Questions
Project to Combat Child Labor in Cambodia (SGA 12-08)**

August 29, 2012

Question 1: Section IV, Part 2. **Cost Proposal** (the 8th bullet point under para (c), Outputs-Based Budget), page 20, states that applicants must allocate at least \$70,000 to support the external interim and final implementation evaluations. Resources permitting, USDOL will directly contract the external evaluators to design and implement the evaluations. The project is responsible for support costs to each evaluation, such as ground transportation for external evaluator, hosting an evaluation stakeholders meeting, and in country transportation costs for staff and other stakeholder participation in the meeting. [also see page 42 on the CMEP]. What happens if USDOL does not have resources to directly contract the external evaluators to design and implement the evaluations? Will the grantee have to cover those costs over and above \$70,000 allocated for the evaluations?

USDOL Response 1: The \$70,000 Applicants have been asked to include in their budgets is intended to support implementation evaluation activities. Grantees will be expected to consult with USDOL post award regarding the utilization of these funds for evaluation activities. Should USDOL resources to directly contract external evaluators be unavailable, USDOL will work with the Grantee to determine if these costs can be covered by the project budget.

Question 2: Part D, Funding Restrictions, paragraph 4. Housing and Personal Living Expenses. Page 22. The last sentence of the paragraph states that *“In general, housing costs, housing allowances, and personal living expenses will only be authorized under the cooperative agreement if deemed necessary for the performance of the project, in particular, in cases of extraordinary costs of living attributable to unique circumstances affecting a local economy.”*

According to Office of Management and Budget (OMB) Circular A-122, "Cost Principles for Non-Profit Organizations": to be an allowable cost, the total compensation to individual employees should both be reasonable for the services rendered and also conform to the established policy of the organization consistently applied to both Federal and non-Federal activities. If an applicant currently charges housing costs and allowances for expatriate employees, in conformance with documented employment policies and this is charged under other federal and non-federal programs, the applicant would have to provide such expatriate employees with a housing allowance in order to be consistent with its policy and practice. In this case, would DOL approve the charging of a housing allowance as a direct cost to the program?

USDOL Response 2: Applicants should propose a budget that provides for the resources to implement the project throughout its duration. As stated in Section IV.D. of the SGA, “USDOL funds may only be used to pay for housing costs, housing allowances, and personal living expenses (e.g., dependents’ allowance) of project staff if they (1) are separately accounted for as direct costs of the project necessary for the performance of the project and (2) receive prior approval from USDOL. In accordance with federal cost principles, housing and personal living expenses may not be counted as fringe benefits or indirect costs. Housing and other personal expenses are costs that are appropriately the responsibility of individual employees, including local coordinators, whether they are residing in the United States or abroad. In general, housing costs, housing allowances, and personal living expenses will only be authorized under the

cooperative agreement if deemed necessary for the performance of the project, in particular, in cases of extraordinary costs of living attributable to unique circumstances affecting a local economy.”

Question 3: Regarding the various forms of child labor listed in the solicitation, is there a reason these types of child labor were selected, and would DOL consider supporting proposals that also address other forms of child labor? Does DOL expect a certain proportion of the activities to be focused on the three main sectors mentioned in the call (agriculture, fisheries, domestic service)?

USDOL Response 3: The SGA Section I.C (Project Target) states “Applicants must target children under the age of 18 engaged in or at-risk of involvement in child labor in various sectors including agriculture, fishing and fisheries/aquaculture, and domestic service...Applicants must propose an area-based approach in their proposal in order to mitigate potential negative affects that could result from focusing on combating child labor in only one sector in a targeted geographical area. The area-based approach must include a focus on the reduction of child labor in sectors such as agriculture, fishing and fisheries/aquaculture, and domestic service, but also allow for the provision of services to children engaged in other kinds of child labor in target areas.” As such, Applicants may address other sectors in addition to the named target sectors. The SGA does not require a percentage of beneficiaries in each sector.

Question 4: Child labor is a major issue in both urban and rural areas. Does DOL anticipate that both urban and rural areas will be included in the project, or is there a greater anticipated emphasis on rural areas?

USDOL Response 4: Section I.C of the SGA states that “Applicants must describe geographic areas of focus and should use data from the Identification of Poor Households Program (ID Poor), the National Child Labor Survey (2012), the Cambodia Socio-Economic Survey (2010), and other credible sources to identify provinces, districts, municipalities, and communes with the greatest incidence of poverty and child labor in the sectors mentioned above and other identified sectors.” The SGA does not state a preference for rural over urban areas.

Question 5: Do all sub-grantees and sub-contractors need to be named in the initial application, or is it possible to add some during the course of the project?

USDOL Response 5: Applicants must name all sub-grantees and sub-contractors in their applications. After award, Grantees may submit project revision requests to include additional sub-recipients.

Question 6: On page 13, regarding the “pre-award needs assessment”, may applicants utilize existing secondary data and recent assessments conducted by the applicant? If applicants are required to conduct a full assessment prior to the October 2nd proposal deadline, could USDOL/ILAB please provide additional guidance on sample size for the needs assessment?

USDOL Response 6: The SGA does not prescribe a pre-award needs assessment methodology. As stated in the SGA, the purpose of the pre-award needs assessment is “to identify key factors contributing to children’s involvement in child labor, including barriers to education, and gaps in current education, social protection and livelihood service provision.” The results of the pre-

award needs assessment are meant to “inform project design and determine relevant and effective interventions. Applicants must preliminarily identify the types of work in which children engage in the proposed geographic regions and sectors. The pre-award needs assessment will serve as a basis for a more detailed baseline assessment to be conducted post-award.”

Question 7: May one local partner apply to this SGA with more than one consortium?

USDOL Response 7: There are no restrictions on the number of proposals submitted by an organization. Each proposal received by USDOL will be considered on its own merits and based on the requirements as set forth in the SGA. Per section III.A., “any commercial, international, educational, or non-profit organization(s), including any faith based, community-based, or public international organization(s) capable of carrying out the full scope of work described herein is eligible to apply.”

Question 8: USDOL indicates that applicants must use an area-based approach in their project design and must respond to all of the requirements in the SOW defined in this SGA. However, are applicants permitted to submit applications with a limited geographic scope for a budget beneath the \$10 million ceiling?

USDOL Response 8: Section I of the SGA states “USDOL/ILAB announces its intent to award up to \$10 million for one or more cooperative agreements to qualifying organizations to support efforts in Cambodia to reduce child labor in various sectors including agriculture, fishing and fisheries/aquaculture and domestic service.” The SGA does not require Applicants to submit applications for the full \$10 million, and the SGA does not prescribe specific geographic regions.

Question 9: On Page 25, the solicitation states that the proposal may be submitted in hard copy form through the US Postal Service or a delivery service such as Federal Express or UPS. Would USDOL accept hand delivery of the proposal at USDOL’s office in Washington DC?

USDOL Response 9: Yes. Applications may be hand delivered or submitted via the U.S. Postal Service or non-U.S. Postal Service delivery services, such as Federal Express or UPS. Hand delivered applications must be submitted to:

USDOL/ Office of Procurement Services

Attn: Brenda White, Grant Officer
200 Constitution Avenue NW, Room S-4307
Washington, DC 20210
Reference: SGA 12-08

Question 10: The Cambodian Government has not yet released the 2012 National Child Labor Survey. What is USDOL’s advice given that this work is not yet available?

USDOL Response 10: As stated on page 6, Section I.C (Project Target), “Applicants must describe geographic areas of focus and should use data from the Identification of Poor Households Program (ID Poor), the National Child Labor Survey (2012), the Cambodia Socio-Economic Survey (2010), and other credible sources to identify provinces, districts, municipalities and communes with the greatest incidence of poverty and child labor in the sectors mentioned above and other

identified sectors.” If data from the National Child Labor Survey is not available during the SGA’s closing date, Applicants should use data from all other credible sources to identify geographic areas of focus.

Question 11: Could you please confirm whether a bilateral agreement exists between the USG and RGoC that exempts USDOL-funded projects from customs and VAT?

USDOL Response 11: As stated in section IV.D.12., “Applicants should discuss the possibility of obtaining customs and VAT exemptions with host government officials during the preparation of their application. While host governments are encouraged not to apply customs or VAT taxes to USDOL-funded projects, some host governments may nevertheless choose to assess such taxes. When preparing their budgets, Applicants should account for such costs, since USDOL cannot provide assistance in this regard. If these costs are omitted, a Grantee may not be allowed to include them after award.”

Question 12: On page 20 the SGA says that we must “allocate funds for travel by the Project Director and/or other key personnel based in the field to meet annually with USDOL officials in Washington, D.C. or another site determined by USDOL,” and also that we must “budget for the Project Director and/or another key personnel staff member to travel to Washington, D.C. for a post-award meeting, which will be held within two months of award.” To help us budget for an appropriate amount of per diem, can USDOL please provide the expected durations of the annual and post-award meetings?

USDOL Response 12: Typically, the post-award meeting is two day and the annual meeting is four days. However, the number of meeting days may change depending on the needs of the project.

Maximum rates of per diem allowances for travel in foreign areas are established by the Secretary of State and apply to all U.S. Government employees and contractors. USDOL requires its grantees to adhere to these rates as well. For regulations pertaining to these rates, see the *Federal Travel Regulations*, Chapter 301-7, as established by the General Services Administration and implementing regulations established by Federal Agencies, (Foreign Affairs Manual - See 6 FAM 150).

Question 13: On page 21 the SGA requires that the budget include a contingency line item calculated at five percent of the project’s total direct costs. Should subgrantees’ budgets also include a contingency line item, or does this requirement apply to the prime applicant only?

USDOL Response 13: The 5% contingency provision is intended to cover costs that the Applicant did not anticipate at the time of award. Subgrantees’ budgets must be reflected in the overall budget on a “Subgrants” budget line. There is no need to submit a separate budget for individual subgrantees.

Question 14: In which category of the SF 424A form does the contingency line item belong?

USDOL Response 14: The 5% contingency provision should be included in line 6.h. of the 424-A and 18.a. of the 424. This contingency should be included as a separate line item of the Outputs-Based Budget.

Question 15: I am writing to you to find out more about the availability of the grant concerning ending child labour in Cambodia. I am writing on behalf of We are an orphanage...and we provide shelter, food and education to Cambodian children who are orphaned and to those locally who cannot support their children. We are raising funds to build a school in... and aim to provide full Khmer education as well as computer skills and English classes.... Is our orphanage an organization suitable for application?

USDOL Response 15: An Applicant must assess if it meets USDOL's eligibility requirements. As stated in Section III. of the SGA, "Any commercial, international, educational, or non-profit organization(s), including any faith-based, community based, or public international organization(s) capable of successfully reducing children's participation in child labor and developing and implementing educational and livelihoods programs to serve them is eligible to apply. Organizations applying for this award must demonstrate a proven ability to manage complex projects in developing countries through actions that support these aims. Lack of past experience with USDOL cooperative agreements, grants, or contracts does not bar eligibility or selection under this solicitation.

All Applicants and any proposed subgrantees or subcontractors must comply with all audit requirements, including those established in OMB Circular A-133. They must also demonstrate presence in Cambodia — either independently or through a relationship with another organization with country presence (*i.e.*, a subgrantee or subcontractor) — enabling them to initiate program activities upon award of the cooperative agreement (see Section IV.B.1.c Project Design Narrative).

The following Applicants (including subgrantees/subcontractors) will not be considered:

- Foreign governments and entities that are agencies of, or operated by or for, a foreign state or government.
- Organizations designated by the U.S. Government to be associated with terrorism or that have been debarred or suspended will not be considered.
- Applicants charging a fee (profit) associated with a project funded by USDOL under this award."